

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  IES UTILITIES INC. and INTERSTATE POWER COMPANY	DOCKET NOS. TF-01-16 TF-01-17 (TF-00-44, TF-00-45)
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**ORDER APPROVING TARIFFS AND REQUIRING INFORMATION**

(Issued February 23, 2001)

On January 25, 2001, IES Utilities Inc. (IES) and Interstate Power Company (Interstate) each filed with the Utilities Board (Board) three proposed tariff riders, identified as TF-01-16 and TF-01-17, that would continue a program allowing IES and Interstate to buy back from participating customers a certain amount of firm commitment in order to avoid purchasing higher cost energy. The tariff riders were originally approved by the Board on June 22, 2000, in Docket Nos. TF-00-44 and TF-00-45 and were available from May 1, 2000, through December 31, 2000, to customers taking power under IES' and Interstate's optional large general service price schedule. IES and Interstate propose the program be extended from March 1, 2001, through December 31, 2001. No objections to the tariffs were filed.

The curtailment program is voluntary and IES and Interstate will request curtailment only when available capacity resources are exhausted. IES and Interstate state the proposed riders are designed to provide them with additional tools to meet firm electric demand during peak demand periods. The amount of any

curtailment payments will flow through the monthly energy adjustment clause (EAC), but monthly EAC amounts charged to customers will not increase as a result of the riders because any curtailment payments flowing through the EAC will be less than the power costs incurred without the tariffs.

The Board will approve the extension of the riders. The riders allow large general service customers another option that at the same time provides IES and Interstate additional capacity options at times when capacity may be needed. However, as in the Board's initial order approving the curtailment program, the Board explicitly reserves its right to examine the costs of the curtailment program in the context of a general prudence review of IES' and Interstate's fuel procurement and contracting practices. In addition, the Board will continue to require IES and Interstate to file the information specified in the June 22, 2000, order, to enable the Board to monitor the curtailment program.

**IT IS THEREFORE ORDERED:**

1. Tariff filings TF-01-16 and TF-01-17 are approved, subject to complaint or investigation, effective March 1, 2001.

2. IES Utilities Inc. and Interstate Power Company shall file the information specified in the Board's June 22, 2000, order in Docket Nos. TF-00-44 and TF-00-45.

**UTILITIES BOARD**

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper  
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 23<sup>rd</sup> day of February, 2001.